

Minutes of the Blue Ribbon Panel for Transportation Funding
Meeting #12
December 4, 2008
8:30 am-10:30 am
Department of Administration – Conference Room A

Members Present: Jerome Williams, Dept. of Administration, Co-Chair
Michael P. Lewis, RIDOT, Co-Chair
Lloyd Albert, AAA
Robert Cusack, Preferred Asset Management, LLC
William Sequino, Town Manager, East Greenwich
Peter Osborn, FHWA
John Gregory, NRI Chamber of Commerce
Susanne Greschner for John Simmons, RIPEC
Gary Sasse, Dept. of Revenue
Keith Stokes, Newport County Chamber of Commerce

Staff: Diane Badorek, Robert Shawver, Maureen Gurghigian, Kazem Farhoumand

In Attendance: Phillip Kydd, John Megrdochian, Michael Abbruzzi, Heidi Cote, Dana Alexander Nolf, Bernard Frezza, John-Paul Verducci, Carmela Corte, Christopher Long, Matt Auter, Katherine Trapani, Jared Rhodes, Mark Therrien, Lilly Picchione, John Rupp, Alfred Moscola, Edward Field, Henry Schwarzbach, Barry Schiller, Jerry Elmer, Jonathan Harris, John Flaherty, Anthony DeLuca, R. D. Batting, Anne Galbraith, J. Baker and Bruce Landis.

November 14th Meeting Minutes

The minutes for the November 14, 2008 meeting were approved without revision.

Draft Report on Funding Options: Jerome Williams, Michael Lewis and Robert Shawver

The draft report on funding options, dated December 3, was distributed for discussion, along with spreadsheets and flow charts showing more specific detail for the options that are discussed in the report. These materials contained revisions and corrections that had been made from the version that had been emailed to the panel members earlier in the week. These items will be posted on the BRP website.

The following comments were made regarding changes to the draft report:

- Language should be added to the Problem Statement and Guiding Principles pages stating that funding will be spent in a transparent and cost-effective manner, with public accountability.
- In the Guiding Principles, suggest rewording the mileage based fee statement to indicate that revenue generated from it may only be able to supplement, and not replace, funds from other sources.
- Include the “percent contribution” of state funds to the transportation program that would result from both funding scenarios.
- Indicate that a plan must be developed and put in place to create sufficient organizational capability to manage and implement the expanded transportation program being proposed. Innovative techniques for bidding, design, construction and operation must be researched and included as part of the program. RIDOT has already been employing value engineering and management techniques which are resulting in cost savings. To encourage contractors to perform more efficiently, an incentive clause can be included in the construction contract to reward early completion of the project. This has been done with the Sakonnet River Bridge contract which includes a \$5 million bonus for finishing the job one year sooner.
- As with the other parts of the transportation program, funding for the proposed Local Roads Program should come from the user fee sources of revenue, not an earmarked revenue source. The mechanism to operate this program may not be through the cities and towns as indicated.
- Add wording to explain that the scenarios presented are not mutually-exclusive; funding options from both can be combined or mixed to produce the needed revenue.
- Indicate that the schedules shown for the proposed funding options are based on the state fiscal year.
- Note that all options would require additional work, such as legislative approval or further study prior to being enacted (for example - tolling, petroleum products gross receipts tax, transfer of the Sakonnet River Bridge to RITBA, vehicle miles traveled fee).
- Recommend not diverting funds from the auto sales tax program since it is a major revenue source for the State.

The issue was raised that the Panel should be prepared to address why bridges on I-195 in the Providence area were not included in the tolling options, since the high traffic volume would generate significant revenue for the State, as well as help address equity concerns that have been voiced by residents regarding proposed tolls on the Sakonnet River Bridge. Tolling at urban area locations with high traffic volumes is currently not practical, because the technology capable of collecting tolls without creating severe congestion impacts in these situations is only in the early stage of development. Although this approach may become a viable alternative in the more distant future, it is not likely to become available for general use within the timeframe being addressed by the BRP report, and thus was not included in the tolling options.

The draft report will be revised based on the comments received from the Panel; revisions in the report will be indicated with colored text. The revised report will be sent to members for approval. A signature page will be included in the final report; BRP members will be able to sign as endorsing the report, or endorsing with reservations as noted.

The co-chairmen thanked the members of the Panel for their participation and hard work.

Next Meeting: The meeting on December 4th was the last scheduled meeting for the BRP.